



JUNE 2004

## **QUARTERLY PAYROLL NEWSLETTER FORT DETRICK, MARYLAND**

Welcome to the quarterly payroll newsletter provided to you by the Payroll Liaison. I hope that this newsletter helps keep everyone informed on new issues from payroll.

### **LONG TERM CARE PREMIUMS**

If you pay your Long Term Care premiums via payroll deduction and you transfer to a new agency, your premium deductions do not automatically transfer to the new agency. To continue payroll deductions, you MUST contact LTC Partners as soon as you know where and when you will be transferring. They will work with your new agency location to start payroll deductions there. Depending on when you contact LTC Partners with information on your transfer, they may not be able to get your payroll deduction changed over in time for your first paycheck from the new location. If that is the case, you will automatically receive a direct bill from LTC Partners for the premiums due that were not collected through payroll deduction. Payroll deductions are not adjusted to "catch up" uncollected premiums, so it is important for you to pay the direct bill promptly when you receive them, in order to keep your Long Term Care coverage current.

To report your transfer, please call the Customer Service Center at LTC Partners at 1-800-LTC-FEDS (1-800-582-3337, option #3) (TTY 1-800-843-3557). For more information, go to <http://www.opm.gov/insure/ltc/index.asp>.

## **FLEXIBLE SPENDING ACCOUNTS**

FSAFEDS has partnered with a number of FEHB plans to implement Automatic Reimbursement. This new program eliminates the need for manually submitting your Explanation of Benefit statements to FSAFEDS. Instead, once your FEHB plan processes your medical, dental, and/or prescription claims, they will submit your out-of-pocket expense(s) electronically to FSAFEDS for automatic reimbursement for your Health Care Flexible Spending Account (HCFSA). Not only are you saving money with your HCFSA, you are saving valuable time as well!

Non-prescription antacids, allergy medicines, pain relievers, and cold medicines purchased to alleviate or treat employees and their dependents personal injuries or sickness are eligible for reimbursement through your HCFSA, effective at the beginning of the new Plan Year on January 1, 2004. Vitamins and other dietary supplements that are merely beneficial to general health remain ineligible for reimbursement. The IRS ruling does not affect existing HCFSA rules, meaning your eligible expenses must still be incurred during your period of coverage and must not be reimbursable through another plan.

For more information, go to <https://www.fsafeds.com/fsafeds/news.asp>.



# DEFENSE TRAVEL SYSTEM

It's here, and it's coming your way! The Defense Travel System (DTS), represents a whole new way of doing business for government. It delivers real, measurable results as proven in pilot tests. DTS makes the travel process faster, easier, and better than ever before. DTS seamlessly automates the three DoD travel processes: Authorization, reservation, and voucher filing. Using DTS, travelers are able to generate travel authorizations, make trip reservations, and route travel requests for approval, all from their desktop workstation. The system is paperless and uses DoD Public Key Infrastructure (PKI) certificates to digitally sign documents all from their desktop workstation. DTS is totally web-based. There is no need to load any software on the workstation other than a web browser plugin for digital signature authentication and system security. When the trip is complete, the traveler can quickly create a voucher from the data already stored in the DTS system, and then electronically route it for approval and submission to the Defense Finance and Accounting Service (DFAS). An electronic funds transfer from DFAS to the traveler's bank account completes the process. The Program Management Office - Defense Travel System (PMO-DTS) has developed an interim system to meet your immediate travel process needs while at the same time preparing your organization for the DTS. This bridge system is called DTS-Limited and it's available now. The Defense Travel System will be deployed to DoD through FY 06. For more information, go to

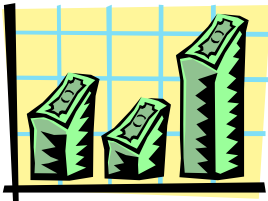
<http://www.defensetravel.osd.mil/dts/site>. As of

March of this year, Ft. Detrick is on the DTS deployment schedule for FY 05.

### TSP LOANS CHANGES

Effective 1 July 2004, the TSP will make three changes to their loan program:

- A \$50 fee will be deducted from the amount of each new loan.
- You will no longer be able to have two general purpose loans at the same time. (You will still be able to have one general purpose loan and one residential loan).
- When you pay off a TSP loan, you will not be eligible to apply for another loan of the same type for 60 days.



## TSP 'L' FUND IS COMING!

The TSP board, out of a concern that participants are not well diversified and aren't getting sufficient returns for the level of risk they are taking, has approved creation of a new "lifecycle"(L) fund, which would be a "fund of funds" using the TSP's currently existing five funds. Such funds, also called "target asset allocation funds" create a target portfolio of the available investments depending on amount of time before the expected withdrawal date and automatically adjust the balance, over time, to take into account differing returns of the funds. The investments further are adjusted to become more conservative as the withdrawal date approaches. Implementation of this will be sometime in 2005.

This option will be voluntary and TSP participants can choose to invest any percentage of their retirement assets in the plan.

### OPM RAISES LIMIT ON STUDENT LOAN REIMBURSEMENTS

Previously, agencies were able to give each worker \$6,000 per year and \$40,000 total. They will now be able to provide \$10,000 per year and \$60,000 total. The student loan benefit was introduced in fiscal 2001 to help agencies recruit high-quality or vitally important employees by helping them pay off existing loans. In exchange, the employees are required to commit to at least three years of employment. They must also pay taxes on the repayment assistance.



## WHEN DIVORCE HAPPENS

The divorce decree (court order) may say that you must provide a part of your future annuity, and/or a survivor annuity for your former spouse. An original certified copy of the entire court order and all attachments must be mailed to the U.S. Office of Personnel Management (OPM), along with a cover letter that states who the Federal employee is and provides his or her Social Security Number and date of birth. A former spouse (personally or through a representative) must apply in writing to be eligible for a court-awarded portion of an employee annuity. No special form is required. Send the original certified copy of the divorce decree to:

U.S. Office of Personnel Management  
P.O. Box 17  
Washington, DC 20044-0017

When you divorce, your spouse is no longer a family member and cannot be covered under your family health benefits enrollment. Your children can continue to be covered. If there are no children, you should change to a self-only enrollment. If you lost health benefits coverage as a result of the divorce, you can enroll for health benefits within 60 days.

Your court order may instruct you to continue to provide health benefits for your former spouse. Check with your benefits officer to find out how to arrange for this coverage. Your former spouse may qualify for temporary continuation of Federal Employees Health Benefits coverage for up to 36 months. If this temporary coverage is needed, you or your former spouse must apply through your agency within 60 days after the divorce.

You may want to change your designations of beneficiary for life insurance or for retirement. A divorce does not automatically affect any designations you made at an earlier date. If you previously designated the person who is now your ex-spouse and you now want payments to go to someone else, you need to file new designations. New designations must be in writing and witnessed. Your agency can provide you with the appropriate forms: the Standard Form (SF) [2808](#) - Designation of Beneficiary (Civil Service Retirement System), the [SF 3102](#) - Designation of Beneficiary (Federal Employees Retirement System), and/or the [SF 2823](#) - Designation of Beneficiary (Federal Employees' Group Life Insurance [FEGLI] Program). Note: A court order may require you to assign your life insurance to your ex-spouse. (Ask your agency for a

copy of the pamphlet on Court-Ordered Benefits for Former Spouses, RI 84-2 and for an Assignment of FEGLI Insurance Form, RI 76-10.) A court order may also pre-empt the order of precedence in the payment of benefits.

You may want to change your income tax withholdings. Contact your activity Customer Service Representative to complete the necessary forms.